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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re

AUTO ORANGE II, LLC,

Debtor.

Case No. 8:13-BK-19490-CB

Chapter: 11

**LIMITED OPPOSITION TO
DEBTOR'S APPLICATION FOR
EMPLOYMENT OF COUNSEL**

Secured creditor TerraCotta Realty Fund, LLC ("TerraCotta") files this limited opposition to the approval of Auto Orange II, LLC's (the "Debtor") application to employ the Law Office of Zhou and Chini as general bankruptcy counsel (the "Employment Application"). Terra Cotta requests clarification from the Debtor on the following issues and requests that the Court deny the Employment Application until such time as these issues are sufficiently addressed:

1. Source of Retainer: The Employment Application states that the Debtor has agreed to pay an initial retainer of \$32,500, but goes on to state that Barry Baptiste and Craig Baptiste funded the retainer prepetition. The Debtor must clarify the source and terms of the retainer. For instance, are the funds being advanced by the

1 Baptistes as a loan or a gift? Or are the Baptistes using the Debtor's funds held in
2 their personal bank accounts?

- 3 2. Identity of Client: In addition to the Debtor, the engagement letter attached to the
4 Employment Application identifies three other parties as the "client". Due to the
5 potential conflict of interest that could arise from the representation of multiple
6 parties in the same bankruptcy case, proposed counsel for the Debtor must clarify
7 whether they intend to represent all four parties who executed the engagement
8 letter.

9 As a secured creditor with a lien on the Debtor's real property, including any rents
10 generated therefrom, TerraCotta requires clarification on these issues in order to determine if the
11 proposed terms of employment impact its rights and claims against the Debtor.

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14 DATED: January 6, 2014

BUCHALTER NEMER

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16 By: /s/ Brian Harvey

17 BRIAN T. HARVEY
18 Attorneys for Creditor
TerraCotta Realty Fund, LLC.

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
1000 Wilshire Boulevard, Suite 1500, Los Angeles, California 90017

A true and correct copy of the foregoing document entitled (*specify*):
LIMITED OPPOSITION TO DEBTOR'S APPLICATION FOR EMPLOYMENT OF COUNSEL

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) 01/06/2014, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Lei Lei Wang Ekvall-lekvall@wglp.com; Brian T. Harvey-bharvey@buchalter.com, Scott O.
Smith-sscott@buchalter.com; Office of U.S. Trustee- ustregion16.sa.ecf@usdoj.gov;
Elizabeth Lossing, Counsel for U.S. Trustee-elizabeth.lossing@usdoj.gov01-060;
James Zhou--Debtor's Counsel, jzhou@zhouchinilaw.com

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (date) 01/06/2014, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

James Zhou, Esq.
2151 Michelson Drive, Suite 164
Irvine, CA 92612
Counsel for Debtor

Auto Orange II, LLC
9160 Irvine Center Drive, Suite 200
Irvine, CA 92618
Debtor

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) 01/06/2014, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Honorable Catherine Bauer, United States Bankruptcy Court --Central District of California
Ronald Reagan Federal Building & Courthouse
411 W. Fourth Street, Suite 5165, Courtroom 5D
Santa Ana, CA 92701-459301-06-2014

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

01/06/2014 D. Bodkin
Date Printed Name

/s/ D. Bodkin
Signature

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2552 Walnut Avenue Ste 100
Tustin, CA 92780

Chrysler Group Realty Company LLC
1000 Chrysler Drive, CIMS 485-04-25
Auburn Hills, MI 48326-2766

El Camino Real Estate Holdings
32925 Avenida Del Rosal
San Juan Capistrano, CA 92675

Franchise Tax Board
PO Box 2952
Sacramento, CA 95812

Internal Revenue Services
PO Box 7346
Philadelphia, PA 19114

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